Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

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DA 07-197

Released: January 24, 2007

# DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF MOUNTAIN VIEW TELEPHONE COMPANY TO YELCOT HOLDING GROUP, INC.

#### STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 07-5

Comments Due: February 07, 2007

Reply Comments Due: February 14, 2007

On January 5, 2005, the Shareholders of Mountain View Telephone Company ("Shareholders") and Yelcot Holding Group, Inc. ("Yelcot" or "Transferee") filed an application, pursuant to section 63.04 of the Commission's rules, <sup>1</sup> requesting authority to transfer control of Mountain View Telephone Company ("MVTC") from the seven existing shareholders of MVTC to Yelcot.<sup>2</sup>

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(iii) of the Commission's rules because, upon completion of the proposed transaction, (a) Transferee will continue to have a market share in the interstate, interexchange market of less than 10%; (b) Transferee will not provide competitive telephone exchange services or exchange access services; and (c) Applicants are incumbent independent local exchange carriers ("LECs") that have, in combination, fewer than 2% of the nation's subscriber lines installed in the aggregate nationwide and no overlapping or adjacent service areas. <sup>3</sup>

MVTC, an Arkansas corporation, is an independent local exchange carrier that provides local exchange telephone service and exchange access to seven exchanges in Stone County, Arkansas (Allison, Fifty Six, Fox, Mountain View, Pleasant Grove, Timbo, and Sunnyland), and to one exchange (Prim) in Cleburne County, Arkansas. MVTC serves a total of approximately 7,200 access lines in these eight north

<sup>&</sup>lt;sup>1</sup> 47 C.F.R. §§ 63.03, 63.04; see 47 U.S.C. § 214.

<sup>&</sup>lt;sup>2</sup> Applicants filed a supplement to their application on January 19, 2007.

<sup>&</sup>lt;sup>3</sup> 47 C.F.R. § 63.03(b)(2)(iii).

central Arkansas exchanges. MVTC also offers resold long distance toll services, calling cards, and 800 service to the public within its exchange areas. In addition, MVTC offers dial-up Internet access service throughout its service area, and digital subscriber line ("DSL") high-speed Internet access services within certain portions thereof. The following persons, each a U.S. citizen, own or control 10% or more of the equity of MVTC in their capacities as trustees of the named trusts: Kenneth Sutton and Janice Sutton, cotrustees of the Kenneth Sutton and Janice Sutton Joint Revocable Trust (39.62%); and James G. Hinkle. trustee of the James G. Hinkle Revocable Trust (39.62%); the Jennie Lou Hinkle Marital Trust (5.38%); the Jennie Lou Hinkle Family Trust (5.00%); the Mountain View Telephone Company Trust (4.16%); the Glen Hinkle Children's Trust (4.15%); and the Hinkle Family Trust (2.07%).

Yelcot, an Arkansas corporation, is a holding company that provides no telecommunications services. Yelcot Telephone Company ("YTC"), a wholly-owned subsidiary of Yelcot, is an independent local exchange carrier that provides local exchange telephone service and exchange access to one exchange (Gassville-Cotter) in Baxter County, Arkansas, and to one exchange (Yellville-Summit) in Marion County, Arkansas. YTC serves a total of approximately 3,750 access lines in these two exchanges. YTC also offers resold long distance toll services, dial-up Internet access service, and DSL high-speed Internet access services within its two exchanges.<sup>5</sup> The following individuals, each a U.S. citizen, hold a 10% or greater direct interest in Yelcot: Sara Lee Czeschin (27.97%); Calvin C. Czeschin, Jr. (19.54%); Betty Ross Czeschin (16.04%); and the Karen H. Czeschin (19.54%) (in her capacity as both trustee and beneficiary of the Karen H. Czeschin Trust). No other person or entity owns or controls a 10% or greater direct or indirect interest in Yelcot.

The proposed transaction consists of the acquisition of all of the issued and outstanding stock of MVTC by MVT Acquisition Company ("MVT"), a newly formed Arkansas corporation owned one hundred percent (100.0%) by Yelcot. At closing, MVT will merge with MVTC, and MVTC and YTC will each be wholly-owned subsidiaries of Yelcot.

Applicants assert that the proposed transaction will serve the public interest by ensuring the continued availability of quality telecommunications services at affordable rates and that, under Yelcot's control, MVTC will continue to provide its rural Stone and Clebume County, Arkansas customers with quality local exchange, exchange access and interexchange services at affordable rates.

### **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control

<sup>&</sup>lt;sup>4</sup> Applicants state that MVTC owns a non-controlling, 6.0% limited partnership interest in ALLTEL Communications of North Arkansas Cellular Limited Partnership, which provides cellular service in the Arkansas 2 - Marion and Arkansas 3 - Sharp Rural Service Areas. MVTC also owns an indirect, non-controlling, 4.4% limited partnership interest in ALLTEL Central Arkansas Cellular Limited Partnership, which provides cellular service in the Arkansas 4 - Clay, Arkansas 5 - Cross, Arkansas 6 - Clebume, Arkansas 7 - Pope, and Arkansas 10 - Garland Rural Service Areas. Applicants further state that MVTC has no other affiliates that offer telecommunications services.

<sup>&</sup>lt;sup>5</sup> Applicants state that Infodash, a division of YTC, provides non-regulated Internet access services outside YTC's service area, in areas served by two incumbent local exchange carriers that are not affiliated with either Yelcot or MVTC: Century Telephone Company, and Northern Arkansas Telephone Company.

application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before February 07, 2007** and **reply comments on or before February 14, 2007**. Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31<sup>st</sup> day after the date of this notice. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <a href="http://www.fcc.gov/cgb/ecfs/">http://www.fcc.gov/cgb/ecfs/</a> or the Federal eRulemaking Portal: <a href="http://www.regulations.gov">http://www.regulations.gov</a>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to <a href="mailto:ecfs@fcc.gov">ecfs@fcc.gov</a>, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of <u>before</u> entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to <a href="fcc504@fcc.gov">fcc504@fcc.gov</a> or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

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<sup>&</sup>lt;sup>6</sup> See 47 C.F.R. § 63.03(a).

<sup>&</sup>lt;sup>7</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

## You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: <a href="http://www.regulations.gov">http://www.regulations.gov</a>. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: <a href="http://www.fcc.gov/cgb/ecfs/">http://www.fcc.gov/cgb/ecfs/</a>. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: <a href="FCC504@fcc.gov">FCC504@fcc.gov</a> or phone: 202-418-0530 or TTY: 202-418-0432.

### In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, <a href="https://www.bcpiweb.com">www.bcpiweb.com</a>; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Cecilia Seppings, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-A103, Washington, D.C. 20554; email: <a href="mailto:cecilia.seppings@fcc.gov">cecilia.seppings@fcc.gov</a>;
- (3) Alex Johns, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C317, Washington, D.C. 20554; e-mail: <a href="mailto:alexis.johns@fcc.gov">alexis.johns@fcc.gov</a>;
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: jim.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CYB402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail <a href="https://www.bcpiweb.com">www.bcpiweb.com</a>.

For further information, please contact Cecilia Seppings at (202) 418-1588, or Alex Johns at (202) 418-1167.